

“We’d like a ‘graduated fee’ system – start at a lower percentage and then work up as you perform.”

Rebuttal #1: *“I get where you are coming from, but my experience has been that once you get a taste of what we deliver at this price – you are never going to want to pay more. What I **would** suggest to you is that since I am so confident that we will perform for you on this, why don’t we set up our agreement at 30% - and if I can’t get you this person within 30 days, I’ll give you a 5% discount off of that. That gives you the end result (a lower fee) you are looking for if I don’t perform, and the worst case scenario is that you have your person faster than anyone has been able to perform for you thus far. Does that sound fair?”*

Rebuttal #2: *“I certainly understand your mindset on setting up a situation like that. Unfortunately, what that creates is a situation where the more **success** we have in giving you top talent, the more incentivized you are to **not use us** anymore because we become more expensive with every candidate placed. I would understand if you actually want to incentivize us to do exactly the opposite, which would be that as we continue to achieve success and are able to achieve economies of scale because of that success, it allows us to potentially reduce fees over time. What you’re suggesting actually seems counterintuitive to the type of arrangements that we would seek to have, because we don’t want our clients to be **less** incentivized to use us the more effective we ultimately are with them. Now, if we are talking about a situation where you want to retain us for three positions where you pay a third of each of the estimated fees up front, but have us charge 20% for the first, 25% for the second, and 30% for the third, I would be absolutely open to the scenario you are suggesting. If we are talking about multiple retained searches, then that seems very reasonable because you are motivating us to fill the agreement by creating a graduated upward scale. How many positions would you include in the type of arrangement you are suggesting?”*

Rebuttal #3: *“Before we cover that, let me ask you something that I’d like you to be completely straightforward with me about.” (Pause) “Do you want to work with me, but just have a few points you need to negotiate first and this is one of them, or do you never intend to sign anything unless I’m the cheapest solution you can find? Because I’m open to either one – I really am. If you want me to be the solution to your issues, I can be. But if you truly don’t, and just have a list of things you’ve got to throw out there on the off chance that a recruiter will say yes to all of them – I can tell you that I will **not** be the cheapest person you’ll find. Bottom line is do you want to work with us on this. If you do, we can make it work. Which of those camps would you say you’re in?”*